

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
VICTORIA DIVISION**

IN RE:

HII TECHNOLOGIES, INC., *et al.*,

Debtors.¹

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Chapter 11

Case No. 15-60070

Jointly Administered

**RESPONSE TO THE DEBTORS' EMERGENCY MOTION FOR ENTRY OF INTERIM
ORDERS (A) AUTHORIZING DEBTORS TO OBTAIN POSTPETITION FINANCING;
(B) AUTHORIZING USE OF CASH COLLATERAL; AND (C) GRANTING
ADEQUATE PROTECTION TO THE DIP LENDERS**

[Relates to D.I. 7, 42]

TO THE HONORABLE DAVID R. JONES, UNITED STATES BANKRUPTCY CHIEF
JUDGE:

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF HII
TECHNOLOGIES, INC., *ET AL.* (the "Committee") file this *Response* (the "Response") to the
*Debtors' Emergency Motion for Entry of Interim Orders (A) Authorizing Debtors to Obtain
Postpetition Financing; (B) Authorizing Use of Cash Collateral; and (C) Granting Adequate
Protection to the DIP Lenders* [D.I. 7] (the "DIP Motion"), and would show the Court as follows:

Background Facts

1. On September 18, 2015, the Debtors commenced the above-styled Chapter 11 cases
(the "Bankruptcy Cases") and filed the DIP Motion. [D.I. 1, 7] The DIP Motion seeks
authorization for the Debtors to, *inter alia*, enter into a \$12 million DIP facility which would
provide the estate with \$500,000 of new money and grant the DIP Lenders a superpriority claim,
adequate protection liens, and refinancing the Debtors' prepetition debt with the DIP lenders. [D.I.
7 at 3-4]. On September 23, 2015, this Court entered its *Interim Order Approving the Debtors'*

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are:
(i) Apache Energy Services, LLC. (4404), (ii) Aqua Handling of Texas, LLC (4480), (iii) HII Technologies, Inc.

Emergency Motion for Entry of Interim Orders (A) Authorizing Debtors to Obtain Postpetition Financing; (B) Authorizing Use of Cash Collateral; and (C) Granting Adequate Protection to the DIP Lenders [D.I. 42] (“Interim DIP Order”) granting the DIP Motion on an interim basis only.

2. On October 29, 2015, the Office of the United States Trustee appointed Power Reserve Corp., Bold Production Services, L.L.C. and Black Gold Energy, L.L.C. to be the members of the Committee. [D.I. 69]

3. On October 30, 2015, the Committee engaged the undersigned counsel to represent the Committee.

4. Pursuant to the Interim DIP Order, the deadline to file an objection to the DIP Motion in the Bankruptcy Cases is currently set for 5:00 p.m. today (the “Objection Deadline”).

5. The DIP Motion is currently scheduled for hearing on Monday, October 5, 2015 at 2:30 p.m. (the “Final DIP Hearing”).

6. Contemporaneous with this Response, the Committee is filing a motion for continuance, seeking an extension of the Objection Deadline and a continuance of the Final DIP Hearing so that it may have time to review the DIP Motion and related matters with its counsel, to discuss (and perhaps resolve) any potential concerns with the Debtors and the DIP Lenders, and to prepare any necessary objections to the relief sought in the DIP Motion in the event any concerns cannot be resolved by the parties.

Response and Reservation of Rights

7. The Committee was appointed only two days ago and met for the first time yesterday. The Committee has already selected the law firm of Locke Lord LLP (the “Firm”) to represent the Committee and anticipates filing an application to retain the Firm shortly. The Committee has acted reasonably and diligently but given the Committee’s recent appointment and

the Firm's recent engagement, the Committee simply has not had the time to properly consider the matters raised in the DIP Motion prior to the Objection Deadline.

8. The Committee files this Response to reserve all of the Committee's rights to respond and object to any and all of the relief sought in the DIP Motion. The Committee reserves its right to amend, modify, or supplement this Response at any time (including, without limitation at the Final DIP Hearing) and to request the postponement and/or adjournment of the Final DIP Hearing at any time at its discretion.

WHEREFORE PREMISES CONSIDERED, the Committee requests that this Court deny the DIP Motion on a final basis and grant such other and further relief as the Court deems just and proper.

Date: October 1, 2015

Respectfully submitted,

LOCKE LORD LLP

By: /s/ W. Steven Bryant

W. Steven Bryant

State Bar No. 24027413

Federal I.D. No. 32913

Elizabeth M. Guffy

State Bar No. 08592525

Brooke B. Chadeayne

State Bar No. 24072030

600 Travis Street, Suite 2800

Houston, Texas 77002

Phone: (713) 226-1489

Fax: (713) 229-2536

sbryant@lockelord.com

eguffy@lockelord.com

bchadeayne@lockelord.com

PROPOSED ATTORNEYS FOR THE
OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF HII TECHNOLOGIES,
INC., *ET AL.*

CERTIFICATE OF SERVICE

I, the undersigned, certify that on October 1, 2015, a true and correct copy of the foregoing *Response* was served via ECF on all parties who receive service in these Bankruptcy Cases via electronic case filing and by ECF or first class United States mail on all parties on the attached Master Service List.

/s/ W. Steven Bryant

W. Steven Bryant

CERTIFICATE OF CONFERENCE

I, the undersigned, certify that on October 1, 2015, I exchanged e-mail correspondence with Mark B. Joachim, co-counsel to the DIP Lenders in these Bankruptcy Cases, and requested that the DIP Lenders agree to continue the Final Hearing to October 19, 2015 and further extend the Objection Deadline an additional two weeks. Although Mr. Joachim was willing to extend the Objection Deadline to October 4, 2015, he was not willing (at this time) to grant the continuance of the DIP Motion and the further extension that the Committee had requested. At the same time, I also copied Hugh M. Ray III, counsel to the Debtors, on this same correspondence. Mr. Ray has not yet responded to the Committee's requests. Because the parties have not yet reached an agreement on these matters, the DIP Motion should be deemed opposed.

/s/ Elizabeth M. Guffy

Elizabeth M. Guffy